

SENATE BILL 227

C3, J1, J3

2lr0071

By: **Chair, Finance Committee (By Request – Departmental – Health and Mental Hygiene)**

Introduced and read first time: January 20, 2012

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Health Care Commission – Assessment of Fees and Maryland**
3 **Trauma Physician Services Fund – Revisions**

4 FOR the purpose of repealing a certain requirement that the Maryland Insurance
5 Commissioner notify the Maryland Health Care Commission of certain health
6 insurance premiums on or before a certain date each year; altering the manner
7 in which the Commission calculates certain fees assessed on certain payors;
8 altering the maximum amount that may be expended from the Maryland
9 Trauma Physician Services Fund for costs incurred in a fiscal year; and
10 generally relating to the Maryland Health Care Commission.

11 BY repealing and reenacting, without amendments,
12 Article – Health – General
13 Section 19–111(a)(1), (2), (3), and (6) and 19–130(a)(1), (2), (5), and (6)
14 Annotated Code of Maryland
15 (2009 Replacement Volume and 2011 Supplement)

16 BY repealing
17 Article – Health – General
18 Section 19–111(g)
19 Annotated Code of Maryland
20 (2009 Replacement Volume and 2011 Supplement)

21 BY repealing and reenacting, with amendments,
22 Article – Health – General
23 Section 19–111(h) through (j) and 19–130(e)(1)
24 Annotated Code of Maryland
25 (2009 Replacement Volume and 2011 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article – Health – General**

4 19–111.

5 (a) (1) In this section the following words have the meanings indicated.

6 (2) “Fund” means the Maryland Health Care Commission Fund.

7 (3) “Health benefit plan” has the meaning stated in § 15–1201 of the
8 Insurance Article.

9 (6) “Payor” means:

10 (i) A health insurer or nonprofit health service plan that holds
11 a certificate of authority and provides health insurance policies or contracts in the
12 State in accordance with this article or the Insurance Article; or

13 (ii) A health maintenance organization that holds a certificate of
14 authority in the State.

15 [(g) On or before May 30 of each year, the Insurance Commissioner shall
16 notify the Commission of the total premiums earned in the State for health benefit
17 plans of all payors in the State during the prior calendar year and each payor’s total
18 premiums earned in the State for health benefit plans for the same calendar year.]

19 [(h) (G) The Commission shall:

20 (1) (i) Assess fees on payors in a manner that apportions the total
21 amount of the fees to be assessed on payors under subsection (d)(1) of this section
22 among each payor based on the ratio of each payor’s total premiums [earned]
23 **WRITTEN** in the State for health benefit plans to the total [earned] **WRITTEN**
24 premiums of all payors [earned] **WRITTEN** in the State; and

25 (ii) On or before June 30 of each year, assess each payor a fee in
26 accordance with item (i) of this item;

27 (2) (i) Assess fees for each hospital equal to the sum of:

28 1. The amount equal to one–half of the total fees to be
29 assessed on hospitals under subsection (d)(1) of this section times the ratio of
30 admissions of the hospital to total admissions of all hospitals; and

1 2. The amount equal to one-half of the total fees to be
2 assessed on hospitals under subsection (d)(1) of this section times the ratio of gross
3 operating revenue of each hospital to total gross operating revenues of all hospitals;

4 (ii) Establish minimum and maximum assessments; and

5 (iii) On or before June 30 of each year, assess each hospital a fee
6 in accordance with item (i) of this item; and

7 (3) (i) Assess fees for each nursing home equal to the sum of:

8 1. The amount equal to one-half of the total fees to be
9 assessed on nursing homes under subsection (d)(1) of this section times the ratio of
10 admissions of the nursing home to total admissions of all nursing homes; and

11 2. The amount equal to one-half of the total fees to be
12 assessed on nursing homes under subsection (d)(1) of this section times the ratio of
13 gross operating revenue of each nursing home to total gross operating revenues of all
14 nursing homes;

15 (ii) Establish minimum and maximum assessments; and

16 (iii) On or before June 30 of each year, assess each nursing home
17 a fee in accordance with item (i) of this item.

18 **[(i)] (H)** (1) On or before September 1 of each year, each payor, hospital,
19 and nursing home assessed under this section shall make payment to the Commission.

20 (2) The Commission shall make provisions for partial payments.

21 **[(j)] (I)** Any bill not paid within 30 days of the payment due date may be
22 subject to an interest penalty to be determined and collected by the Commission.

23 19–130.

24 (a) (1) In this section the following words have the meanings indicated.

25 (2) “Fund” means the Maryland Trauma Physician Services Fund.

26 (5) (i) “Trauma center” means a facility designated by the
27 Maryland Institute for Emergency Medical Services Systems as:

28 1. The State primary adult resource center;

29 2. A Level I trauma center;

30 3. A Level II trauma center;

- 1 4. A Level III trauma center;
- 2 5. A pediatric trauma center; or
- 3 6. The Maryland Trauma Specialty Referral Centers.

4 (ii) “Trauma center” includes an out-of-state pediatric trauma
5 center that has entered into an agreement with the Maryland Institute for Emergency
6 Medical Services Systems.

7 (6) “Trauma physician” means a physician who provides care in a
8 trauma center or in a rehabilitation hospital to trauma patients on the State trauma
9 registry as defined by the Maryland Institute for Emergency Medical Services
10 Systems.

11 (e) (1) Except as provided in paragraph (2) of this subsection and
12 notwithstanding any other provision of law, expenditures from the Fund for costs
13 incurred in any fiscal year may not exceed revenues of the Fund [in that fiscal year].

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 July 1, 2012.